City of Carlsbad Citizens' Committee to Study the Flower Fields and Strawberry Fields Area Summary Notes of Meeting #5 June 20, 2006, 9 a.m. to 12 p.m., City of Carlsbad, 1635 Faraday Avenue, Room 173B

#### Present:

<u>Committee members</u>: (\*non-voting members)

**Bob Garcin** Jill Agosti Gina McBride Jennifer Benner Courtney Heineman\* Leslea Meyerhoff Chris Calkins\* Eric Munoz (chair) Gary Hill Nancy Calverley\* Mark Johnson Peder Norby Marvin Cap Pat Kurth Laura Means Pope Claudia Carrillo\* Marvin Sippel\* Keith Lewinger Len Martyns Seth Schulberg Bill Dominguez Heidi Willes Farrah Douglas Cary Manning Vern Farrow *Kip McBane (vice-chair)* Mark Winkler

### Absent:

Pete Aadland Robert Morgan Daniel Swiger

## City of Carlsbad Staff:

Gary Barberio – Principal Planner
Karen Chen – Management Analyst
Courtney Enriquez -- Management Intern
Cynthia Haas – Economic and Real Estate Manager
Sandra Holder – Community Development Director
Bob Johnson – Deputy City Engineer, Transportation
Jane Mobaldi– Assistant City Attorney
Mark Steyaert – Park Development Manager
Barbara Nedros – Administrative Secretary

Michael Holzmiller - Consultant to City

Jim Simon, RSG

10 public and 2 press

#### I. Roll Call and Notes.

The June 15<sup>th</sup> Summary Meeting Notes will be provided within this week, and will be subject to approval at the next meeting

All written comments that have been submitted will be distributed. The deadline for written comments was Monday, June 19<sup>th</sup> at noon.

Nancy Calverley notes that though Lennar has dropped out, that her group (Carlsbad Citizens for Usable Public Places) C.C. U. P.P. has not.

#### **II. Public Comment**

None

## III. Fiscal Impact, presented by Jim Simon, RSG

Please refer to PowerPoint handout. A complete report will be submitted to theCity Council in July. This is a preliminary report, addressing primarily the economic impact of turning the Tourist/Recreation (TR) parcel into open space.

Loss of the TR site would have a significant economic impact to the city.

The City's proposal and the "Save the Fields" initiatives withdraw development rights.

There would be opportunity costs to city:

- \$3 million in lost operating revenue annually
- \$6.6 million in lost one-time development/facility fees
- \$9.7 million in one-time acquisition costs
- Possible additional implementation costs

There are existing development restrictions due to:

- SDG&E transmission lines
- Coastal Commission Conservation Area
- Habitat Management Plan

Of the TR parcel (50 acres), approximately 30% (15 acres) has restrictions for development.

Two alternatives examined for TR parcel at maximum build out currently permitted:

- Regional serving center, \$88 million for development
- Destination center, \$91 million for development, including a 120 room 3-star hotel, on this site
- Average taxable sales for retail on site estimated at \$425/sf

They estimate approximately 600 jobs potentially created in the development of the TR parcel.

(Lough) The cost of acquisition of the open space area presents a difficulty in estimating the price of the land.

- Q: What is the impact of having the executive golf course (9 holes)? Is the loss of the golf course an economic impact on the city? Both the city's initiative and the "Save the Fields" delete that use.
- A: We can take a look at that.

- Q: (Lough) That can be a viable use for open space.
- Q: What is the impact of agriculture on the surrounding area? The current use of chicken manure on the Flower Fields impacts the surrounding businesses.
- A: I do not know if we are in the position to assess that.
- Q: Can you give us an idea of the price of the open space land? A range?
- A: We can look at that.
- Q: As open space you can value it as habitat. Or if it just sits there, it has some intrinsic value.
- A: (Lough) It can be valued as habitat. Habitat banks are charging around \$25,000 to \$45,000 an acre.
- Q: Do these figures need to be reduced by the cost of City services?
- A: Yes, however, the actual servicing costs would be small. This site, as open space, would not generate the need for significant extra services.
- Q: Was the door closed on the golf course when the last golf course plan was withdrawn?
- A: (Holzmiller) When the new timeshare/hotel project was approved, the applicant requested an amendment to remove the resort site's direct tie to the 9-hole golf course. The city's ballot measure removes golf as a use, but the council could reconsider that part of the measure.
- Q: Carltas spent \$1.5 million on the cart paths under Cannon Road anticipating the golf course. I think we need to look at the impact of that.
- Q: How is the city going to net \$6.6 million? If you do not have the impact then you cannot collect the fee.
- A: It does not just pay for the site's improvements but for the region. The developer's "fair share" may go beyond the site's impact. The net will be between \$0 and \$6.6 million.
- Q: My understanding is that the mall in Carlsbad requires a large increase in police service. So in our experience there is a significant increase in the need for city services.
- Q: What is the cost of providing affordable housing for low wage workers for this proposed retail development?
- A: The city can use the incoming revenue to fund this.

(Sandy Holder) We do not have a specific policy, but we have Section 8 housing. Our inclusionary housing is 15% and applies to residential development only. (Lough) 20% of tax increment must go for affordable housing because the TR parcel is in the Redevelopment Area.

- Q: Why is there no value attributed to agricultural uses, or alternative agricultural uses such as the winery or greenhouses or equestrian uses?
- A: We will look at that.
- Q: If there is loss of income to the surrounding businesses because of agricultural use, could they come back to the city to ask for reimbursement and would that come back to the taxpayer?
- A: (Lough) No, it would not be the city's obligation, it would be the landowner's. This would impact whether agriculture is indeed viable, though.
- Q: Is there a provision for money to go for agricultural housing?
- A: The policies target general low-income housing not specifically for agricultural workers.
- Q: There used to be a plan for an 18-hole golf course also. Should we look at the value of the SDG&E land being used as a golf course and wouldn't that upgrade the potential hotel value?
- A: It is conceivable that putting more amenities on a site would increase the value but I don't know if that would be the case here. We can look at that.
- Q: Does the city now have an easement for the trails they are talking about or were they going to use the \$1 million proposed in the City's measure?
- A: The city has no easements except for Hub Park so a portion of the money may have to be used for acquisition.
- Q: Is there loss experienced by businesses that expected development per the general plan and can they ask the city to make up that loss?
- A: (Lough) No.
- Q: Weren't there also 20 acres in the SDG&E set aside for golf?
- A: (Holzmiller) There was at least discussion to lease a part of that for 2 holes of golf?
- Q: Can we look at that economic impact in the final report also?

A: (Holzmiller) There are uses including golf allowed in open space. I think there is a concern that there will be a restriction to only passive recreation in open space. The current Carlsbad Ranch plan does currently allow golf.

Q: Why are we only considering 10% of the land?

A: (Simon) That is what we were directed to do.

Q: There was a visioning process for this land. It is on the city's website.

A: (Holder) There is no vision or plan developed, there was just idea generation with no consensus.

Q: What did the landowners think a few years ago about what they would do with their land?

There was a vote in favor of asking the property owners to present what they would like to do with the land.

(Calkins) I am not sure a presentation would be useful. We already agreed to let the city consider the use of our land in its larger vision. We are very conscious of the limitations of agriculture. We were dumbfounded that the city had taken away the active recreational uses in one of the few areas of the city where that would have little impact. If the "Save the Fields" initiative prohibits us from having a nursery or visitors, it will hinder the viability of the existing Flower Fields. We want to allow the city to continue its process. But to change this for a process that no one knows how it would work...

(Ruth Love for real estate department of SDG&E) We entered into a contract with Lennar and that was our vision. The contract is now gone and we have no vision. We want to work in conjunction with the city. Our typical process is to assess the value of the land and offer it for sale, but we didn't do this because we entered into this visioning process with the city.

There was agreement that a presentation is not necessary.

Q: So this fiscal impact really only is about changing the TR parcel into open space, so it doesn't analyze the impact of the Gateway initiative, only the other two?

A: Correct.

Q: So we can still influence the city's initiative?

A: Yes.

- Q: I don't think this fiscal analysis is useful or viable as it is so narrow. I'm suggesting we stop discussing this and move on.
- A: (Holzmiller) When an initiative qualifies for the ballot, the City Council can request this fiscal analysis, but as the Gateway initiative has not yet qualified, it cannot be analyzed yet. The council will have the opportunity tonight to ask for the 9212 report which asks for a fiscal analysis for the "Save the Fields" initiative, now that it has qualified for the ballot.
- Q: Can you address the economic impact of the transfer of development rights suggested in the Marin County ordinance also?

A: Yes.

Request was made for city staff to supply the previous economic feasibility study, which was completed for the City's golf course and the additional nine holes.

# **IV. Discussion of Comparison Matrix**

Laura Pope worked on the matrix with staff and produced this second draft. Laura suggested some further language changes. *Please refer to third matrix draft when it is issued.* 

- Q: Could we add a column on the matrix for financial impact?
- Q: Under Residential, could we change the Gateway answer to "allowed"?

Chair suggested that if members have detailed changes to suggest they submit them in writing to Barbara Nedros.

(Holzmiller) The technical analysis has not been changed, and it includes a column on fiscal impacts, and it will be attached as it is.

- Q: Agricultural housing is allowed, so are the residential column answers correct?
- Q: Do these have implementing ordinances?
- A: (Lough) In looking at the other ordinances from other counties, they do not include a definition of agriculture. There are some good examples about buffer zones and transfer of development rights. I can see some ancillary uses, but this is a little problematic.

Chair asked if Mr. Lough can review the matrix when finished to see if wording is neutral. The comparative analysis is required but the recommendation of the committee is not.

Q: Can we say that no trails are allowed in the "Save the Fields" ordinances? We do not know that for sure.

Lough suggests that the committee moves forward with the general agreed upon understanding of each of the initiatives.

- Q: A definition of the properties could be useful.
- Q: The "Save the Fields" presenters made a lot of reference to the 1986 growth management plan. Could we add a field about growth management?
- A: It is already in there.
- Q: Is the city's only non-public use for farming?
- A: Yes.
- Q: Should we have a column asking, "Is there an existing implementing ordinance?"
- A: (Holzmiller) This is addressed in the technical analysis. The subcommittee had difficulty addressing this in some parts and assumptions had to be made.
- A: (Meyerhoff) Speaking as a member of the subcommittee, we tried to restrict ourselves to the text of the initiatives and not to speculate.

Chair suggested that if the committee finds it is making too many assumptions that it say that it cannot make a comparison in that area.

- Q: Who would be the property owner if the "Save the Fields" initiative wins?
- A: (Holzmiller) We understood that ownership would be the same as now.
- Q: The term "concern" could be confused with the "Concerned Citizens". Change to "topic"? General consensus for "topic".
- Q: There is also a low-wage worker housing issue, not just farm-workers. Can we expand that?
- A: Call it "affordable housing" or "employee housing"?

No decision made in committee. Given to staff.

Q: "Civic Center" or "Village" have a lot of possible definitions. Can we clarify that?

No decision made in committee. Given to staff.

- Q: On item 13, I'd like to see "use of eminent domain" in there.
- A: (Lough) The words you are looking for is "inverse condemnation."

Q: But will the public understand that?

A: Could we say "taking of property rights"?

Q: "Lawsuit potential for taking of property rights"? General consensus.

Q: Could we have a legend for voters that explains all these terms?

Q: Could we move #9 – Topic - Tourist-Commercial to #4 - Topic outdoor recreation?

Q: Could we standardize the language "not allowed" or "allowed" as opposed to things like "specifically prohibits" or other language that implies a bias on the part of the committee?

General consensus.

Q: Could we make the questions into sentences so that each column could be "yes" or "no"?

Chair suggested that we let the subcommittee and staff work on this first, then distribute to the general committee.

A suggestion was made that Laura Pope be added to the subcommittee. Agreed.

A suggestion was made that we not make too much reference to other documents because the public will not have more than the initiatives to work with.

Vote suggested that the subcommittee review the matrix draft and resubmit to the general committee. Seconded.

Subcommittee agrees.

Committee votes "yes", with the latest draft matrix being distributed before the next meeting.

Q: Doesn't the fact that the "Save the Fields" initiative doesn't have an implementing ordinance leave a big hole in the analysis and comparison of these?

A suggestion was made to put aside the ordinances from other cities.

(Mobaldi) The "Save the Fields" and the City's initiative have a provision for the situation where there may be a taking.

(Holzmiller) The principle used was that if the initiative is silent on an issue then it does not allow that use.

Request that staff remind both initiative groups that they may submit written comments.